



# ENERGY ASSURANCE DAILY

Thursday Evening, October 11, 2007

## ***Electricity***

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### **City of Vernon's 134 MW Malburg Gas-fired Generating Station in California Shut October 10**

<http://www.caiso.com/unitstatus/data/unitstatus200710101515.html>

### **Morbay's 336 MW Morro Bay Gas-fired Unit 4 in California Shut October 10**

<http://www.caiso.com/unitstatus/data/unitstatus200710101515.html>

### **Update: OPG's 490 MW Nanticoke Coal-fired Unit 7 Back in Service October 11**

Reuters, 11:42 October 11, 2007

### **OPG's 494 MW Lambton Coal-fired Unit 4 Returns to Service October 11**

The unit was shut on August 31.

Reuters, 11:48 October 11, 2007

### **Update: Oklahoma Regulators Approve Proposed 905 MW Red Rock Coal-fired Plant – Reject Proposed Cost Recovery Prior to Construction**

The Oklahoma Corporation Commission issued today a statement explaining Oklahoma Gas and Electric Co, and Public Service Co of Oklahoma, a unit of American Electric Power are free to proceed with construction plans that the commissions earlier rejection applied only to the cost-recovery prior to construction and not to the plant itself.

Reuters, 14:27 October 11, 2007

### **600 MW Neptune Regional Transmission Project Officially Dedicated October 11**

The Neptune Regional Transmission Project, a 65-mile long undersea and underground transmission link connecting Long Island with New Jersey was officially dedicated today. The 600 MW link has been in operation 100 days.

Business Wire, 13:32 October 11, 2007

## ***Petroleum***

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### **Lower Crude Oil Stocks Send Prices Higher**

Prices for crude oil, gasoline, and heating oil all rose following data released by the EIA that indicating that contrary to expectations, crude oil stocks were lower than for the previous week. The price of crude oil increased by approximately \$2 per bbl, while heating oil futures for November jumped 2.2 percent setting a new record in nominal terms. Similarly, gasoline futures for November rose 1.8 percent.

Bloomberg News, 12:22 October 11, 2007

### **Flaring Reported at Valero's 325,000 b/d Port Arthur, Texas Refinery October 10**

The K2300 tripped around 4:35 am local time, which led to flaring for about 3 hours. A Valero spokesperson said that the event had no impact on production.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=98534>

Reuters, 18:45 October 10, 2007

### **Flaring at ConocoPhillips's North Riley Central Battery in Texas October 10**

The company will shut the gathering system to perform necessary repairs. Flaring will be discontinued upon completing of repairs.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=98478>

### **BP Begins Production at Atlantis Field in the Gulf of Mexico October 10**

The Atlantis field, more than a year behind schedule, is now producing 10,000 b/d. Production capacity is anticipated to reach 200,000 b/d of crude oil and 180 MMcf/d of natural gas. BP anticipates that production will climb to an average of 84,000 b/d in 2008.

<http://www.bloomberg.com/apps/news?pid=20601207&sid=aATMaWn5HYS4&refer=energy>

### **Update: DOE Seeking Bids for 13 Million Barrels for SPR**

The U.S. Department of Energy is seeking bids from oil companies to add 13 million barrels of crude oil to the Strategic Petroleum Reserve. The DOE expects to begin receiving deliveries by February 1 and to complete the process by July 31.

Reuters, 09:41 October 11, 2007

### **Tullow Oil to Drill Eighth Well in Uganda, Estimates Reserves at 800 Million bbls**

Company executives announced that Tullow Oil will drill an eighth well later this month in its Uganda prospects to better know the extent of the reserves, the company estimates the reserves to be up to 800 million barrels in one pocket. Another company, Canada's Heritage Oil, has drilled in one block in Uganda to more than 9,842 ft and found crude flowing at 14,000 b/d.

Reuters, 10:44 October 11, 2007

### **Update: BP Revises Production Loss Estimates for Prudhoe Bay to 20,000 b/d**

Production was reduced following a fire on October 6. The company changed its original estimates of 30,000 b/d to 20,000 b/d lost.

Reuters, 13:51 October 11, 2007

### **Production Predictions for the Americas**

The following is the annual total of new and planned oil production in the Americas according to Reuters:

2007	1,357,000 b/d
2008	1,518,500 b/d
2009	460,000 b/d
2010+	4,486,000 b/d

Reuters, 15:50 October 11, 2007

## ***Natural Gas***

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### **Canada's National Energy Board Issues Short-term Outlook for Natural Gas**

National Energy Board (NEB) forecasts a decline of 7-15 percent in natural gas deliverability from now until 2009.

<http://powermarketers.net/contentinc.net/newsreader.asp?ppa=8kowu%5D%5CgekkiknWTeb%23%3A%40%24bfe>

<http://www.neb-one.gc.ca/clf-nsi/rnrgynfmetn/nrgyrprt/ntrlgls/ntrlgslvrbly20062008/pdtntrlgslvrbly20062008-eng.html>

### **Transcontinental Pipeline Announces Capacity Constraint Downstream of Sabine River October 12**

Transco announced on its website that it encountered additional anomaly repair work that will limit available transportation capacity through the system. The restriction is expected to last from October 12 to October 23.

<http://www.1line.williams.com/1Line/wgp/download?delvid=1597886&hfNoticeFlag=Y&hfDownloadFlag=false&hfFileName=download.html>

## Other News

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### Alchem Temporarily Shuts 10.5 MMgal/y Ethanol Plant in North Dakota Due to Market Conditions

Company officials at Alchem cited rising corn costs and lower ethanol prices as reasons for the temporary closure of the plant. The company expected that the market conditions would improve enough to reopen in the near future.

<http://www.forbes.com/feeds/ap/2007/10/10/ap4208016.html>

## Energy Prices

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U.S. Oil and Gas Prices			
October 11, 2007			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	83.05	81.48	57.56
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.85	6.91	5.66

Source: Reuters

## Energy Notes

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### Update: Midcontinent Files Application with FERC for 1.4 Bcf/d Midcontinent Express Pipeline from Oklahoma to Mississippi

[http://www.midcontinentexpress.com/News\\_release\\_internal.asp?code=7](http://www.midcontinentexpress.com/News_release_internal.asp?code=7)

### USCG Extends Comment Period on Woodside's Proposed OceanWave Offshore LNG Project in California

<http://powermarketers.netcontentinc.net/newsreader.asp?ppa=8kowu%5D%5CgekkiknWTeb%23%3A%40%24bfem%5Ev>

### Nigerian Oil Worker Strike against Chevron Called Off

Bloomberg News, 11:00 October 11, 2007

### Production Begins from Floating Production Storage and Offloading Vessel at Brazil's Piranema Off-shore Oil Field

Bloomberg News, 8:46 October 11, 2007

### Update: Workers Killed October 2 in Fire at Xcel's Hydro Plant in Colorado Died from Asphyxiation and Smoke Inhalation.

[http://biz.yahoo.com/ap/071011/plant\\_fire\\_deaths.html?.v=1](http://biz.yahoo.com/ap/071011/plant_fire_deaths.html?.v=1)

### Puget Sound Energy Briefs Regulators on Company's 20-Year Resource Plan Focusing on Conservation, Renewable and Natural-Gas Resources to Meet the Expected 28 Percent Population Increase

Reuters, 11:22 October 11, 2007

<http://www.pse.com/insidePSE/news20yr101107.aspx>

### Year to Date Ivory Coast – Crude Oil Exports Up 20 Percent to 15.4 Million bbls

Reuters, 10:24 October 11, 2007

## **Year to Date 2007 Baltic Sea St. Petersburg Port Oil Exports Up 7 Percent to 36.6 Million bbls**

Reuters, 09:24 October 11, 2007

## **Russia O&G Firm Imperial Energy Finds Oil in West Siberian Well, Anticipated Produce 10,000 b/d by Year's End 2009**

Reuter, 07:32, October 11, 2007

### **Links**

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### **ENERGY ASSURANCE DAILY**

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<http://www.oe.netl.doe.gov/index.aspx>.

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